



Philip L. Browning
Director

COUNTY OF LOS ANGELES

Child Support Services Department



March 11, 2004

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: PHILIP L. BROWNING
Director

Subject: **NOTIFICATION OF PAYMENT FOR FEDERAL CHILD SUPPORT
AUTOMATION PENALTY**

Welfare and Institutions Code (WIC) Section 10088, as amended by Chapter 225, Statutes of 2003, authorized the Department of Finance to allocate up to 25 percent of the federal child support automation penalty to counties for State Fiscal Year 2003/04. The penalty was imposed by the federal government due to California's failure to meet federal child support automation requirements.

In a letter to the Auditor/Controller dated February 27, 2004 (see attached) The State of California, Department of Child Support Services informed the County of Los Angeles that its share of the penalty for the FY 2003/04 totals \$9,825,924. According to the statutes this amount was determined based on the administrative costs of all local child support agencies within the State. The penalty payments and payment dates as assigned by the State of California, Department of Child Support Services are as follows:

1. On March 27, 2004 payment in the amount of \$4,912,962.
2. On April 30, 2004 payment in the amount of \$2,456,481.
3. On June 1, 2004 payment in the amount of \$2,456,481.

The Child Support Services Department acknowledges the penalty imposed and will comply with the above referenced sections by remitting payment of the penalty as required. The amount has been included in our FY 2003/04 adopted budget appropriations.

Each Supervisor
March 11, 2004
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If you have any questions, or need additional information, please contact me at (323) 889-3340 or Penny Van Bogaert, Administrative Deputy at (323) 889-2981.

PLB:PVB:BR:rs

Attachment

c: Board Deputies
 David E. Janssen, Chief Administrative Officer
 Lloyd A. Pellman, County Counsel
 Lane Brown, County Counsel
 Debbie Lizarri, Chief Administrative Office
 Gevork Simdjian, Chief Administrative Office
 James Blunt, Chief Administrative Office

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

P.O. Box 419064, Rancho Cordova, CA 95741-9064



CSSD

MAR 04 2004

EXECUTIVE OFFICE

copy
E. J. Stapp
re: 41 p/s

February 27, 2004

Mr. J. Tyler McCauley, Auditor-Controller
County of Los Angeles
500 West Temple Street Room 525
Los Angeles, CA 90012

Dear Mr. McCauley:

SUBJECT: FEDERAL CHILD SUPPORT AUTOMATION PENALTY FOR
STATE FISCAL YEAR 2003/04

Welfare and Institutions Code (WIC) Section 10088, as amended by Chapter 225, Statutes of 2003, authorizes the Department of Finance (DOF) to allocate up to 25 percent of the federal child support automation penalty to counties for State Fiscal Year (SFY) 2003/04. The penalty was imposed by the federal government due to California's failure to meet federal child support automation requirements.

The SFY 2003/04 Budget enacted by the Legislature assumed that counties would pay 25 percent of the penalties imposed in SFY 2003/04 which equates to \$48.7 million. DOF has delegated to the Department of Child Support Services (DCSS) the process of determining each county's share of the penalty pursuant to the formula set forth in WIC Section 10088. Furthermore, DCSS was delegated the responsibility of notifying the auditor and controller of each county of the county's share and the instructions for payment to the State pursuant to WIC Section 10088. This letter shall serve as the notification requirement for the quarterly payment amounts. Attachment I reflects the payment schedule for SFY 2003/04. The first payment amount, which represents the July-September 2003 and October-December 2003 quarterly payments, is due 30 days from the date of this letter. The January-March 2004 quarterly payment is due April 30, 2004 and the April-June 2004 quarterly payment is due June 1, 2004.

If a county does not remit the full quarterly amount within 30 days of the due date as shown on Attachment I, any unpaid amount shall be deducted by the State Controller's Office, from any payment due to the county, as directed by DOF. Federal penalty

payments should be remitted to DCSS at the following address:

California Department of Child Support Services
Attn: Accounting Section
P.O. Box 419064, MS 21
Rancho Cordova, CA 95741-9064

Please indicate on the check, "Federal Penalty Payment" and specify the applicable quarter(s).

WIC Section 10888 as amended by Chapter 225, Statutes of 2003, sets forth the allocation formula to be used in determining each county's share of the penalty. Each county's share is determined by the administrative costs of its local child support agency (LCSA) as a proportion of the administrative costs of all LCSAs. Administrative costs are defined as the administrative allocations to the LCSA for SFY 2003/04 and the prior three fiscal years, excluding automation costs. There are some counties that have joined with other counties to form a regional child support agency. The penalty has been allocated to the counties that are part of the regionalized LCSAs based upon the formula set forth in WIC Section 10088 for the relevant year or years prior to the formation of the regional agency.

Counties are reminded that the federal automation penalty is not eligible for Title IV-D federal financial participation (FFP). The State General Fund share of the LCSA's administrative allocation is restricted to expenditures that are eligible for FFP. Therefore, the county's share of reimbursement due to the State for the federal automation penalty may not be paid from the LCSA's administrative allocation.

If you have any questions please call me at (916) 464-5100 or Annette Siler, Chief, Financial Services Branch at (916) 464-5156.

Sincerely,



JAN SHERWOOD
Deputy Director
Administrative Services Division

Attachment

cc: David Janssen
Philip Browning

Estimated Child Support Automation Penalty Allocation for SFY 2003/04

Attachment I

27/04	Total Federal Penalty	Payment Schedule		
		Now Due July-Sept. Qtr. Oct.-Dec. Qtr.	Due April 30, 2004 Jan.-March Qtr.	Due June 1, 2004 April-June Qtr.
Statewide Total	48,704,000	24,352,000	12,176,000	12,176,000
Alameda	1,666,808	833,404	416,702	416,702
Alpine	16,876	8,438	4,219	4,219
Amador	90,117	45,059	22,529	22,529
Butte	595,206	297,604	148,801	148,801
Calaveras	72,395	36,197	18,099	18,099
Colusa	46,920	23,460	11,730	11,730
Contra Costa	1,240,531	620,265	310,133	310,133
Del Norte	160,697	80,349	40,174	40,174
El Dorado	314,355	157,177	78,589	78,589
Fresno	1,431,644	715,822	357,911	357,911
Glenn	56,756	28,378	14,189	14,189
Humboldt	362,909	181,455	90,727	90,727
Imperial	225,710	112,854	56,428	56,428
Inyo	60,365	30,183	15,091	15,091
Kern	1,433,231	716,615	358,308	358,308
Kings	288,776	144,388	72,194	72,194
Lake	182,145	91,073	45,536	45,536
Lassen	66,991	33,497	16,747	16,747
Los Angeles 20.17	9,825,924	4,912,962	2,456,481	2,456,481
Madera	185,822	92,910	46,456	46,456
Marin	301,350	150,676	75,337	75,337
Mariposa	44,863	22,431	11,216	11,216
Mendocino	193,260	96,630	48,315	48,315
Merced	632,872	316,436	158,218	158,218
Modoc	36,675	18,337	9,169	9,169
Mono	30,020	15,010	7,505	7,505
Monterey	747,933	373,967	186,983	186,983
Napa	276,042	138,020	69,011	69,011
Nevada	254,064	127,032	63,516	63,516
Orange 7.76	3,799,903	1,899,951	949,976	949,976
Placer	412,277	206,139	103,069	103,069
Plumas	57,460	28,730	14,365	14,365
Riverside	2,326,954	1,163,476	581,739	581,739
Sacramento	2,160,827	1,080,415	540,206	540,206
San Benito	115,261	57,631	28,815	28,815
San Bernardino	2,603,373	1,301,687	650,843	650,843
San Diego 6.04	3,162,407	1,581,203	790,602	790,602
San Francisco	793,920	396,960	198,480	198,480
San Joaquin	1,010,334	505,168	252,583	252,583
San Luis Obispo	295,384	147,692	73,846	73,846
San Mateo	741,374	370,688	185,343	185,343
Santa Barbara	591,767	295,883	147,942	147,942
Santa Clara	2,349,976	1,174,988	587,494	587,494
Santa Cruz	445,522	222,760	111,381	111,381
Shasta	485,622	242,810	121,406	121,406
Sierra	12,749	6,375	3,187	3,187
Siskiyou	205,494	102,746	51,374	51,374
Solano	813,367	406,683	203,342	203,342
Sonoma	998,204	499,102	249,551	249,551
Stanislaus	996,278	498,138	249,070	249,070
Sutter	205,062	102,532	51,265	51,265
Tehama	125,507	62,753	31,377	31,377
Trinity	42,186	21,094	10,546	10,546
Tulare	1,058,877	529,439	264,719	264,719
Tuolumne	117,815	58,907	29,454	29,454
Ventura	1,301,407	650,703	325,352	325,352
Yolo	380,555	190,277	95,139	95,139
Yuba	252,882	126,440	63,221	63,221

Source: Based on SFYs 2000/01, 2001/02, 2002/03, and 2003/04 Final Non-EDP Allocations